



STATE OF CALIFORNIA

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**STATE BOARD OF EQUALIZATION**

BOARD PROCEEDINGS DIVISION (MIC: 81)  
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Controller, Sacramento

**PUBLIC AGENDA NOTICE**  
**STATE BOARD OF EQUALIZATION MEETING**  
**JANUARY 4-6, 2000**

**450 N STREET, CAPITOL SQUARE, SACRAMENTO**

E. L. SORENSEN, JR.  
Executive Director

**TUESDAY, JANUARY 4, 2000 - BOARD COMMITTEE MEETINGS\***

**Board Committees Convene at 1:30 p.m.**

**\*Legislative Committee - Mr. Klehs, Chair - ROOM 122**

Ms. Margaret Shedd, Staff - (916) 322-2376

Pending and Proposed Legislation Affecting Board Programs

**\*Customer Services & Administrative Efficiency Committee - Mr. Parrish, Chair- Room 121**

Ms. Delena Bratton, Staff - (916) 445-6188

Status Report: Year 2000 (Y2K) Rollover; Status Report: Constituent Service Issues Relating to the Integrated Revenue Information System (IRIS)

**\*Business Taxes Committee Mr. Chiang, Chair – Room 121**

Mr. James Speed, Staff - (916) 445-1441

Proposed Regulatory Changes to Clarify Application of Tax to Electric Signs (Regulation 1521, Construction Contractors and Regulation 1660, Leases of Tangible Personal Property-In General); Proposed Revisions to Audit Manual Chapter 1 (Introduction); Proposed Revisions to Audit Manual Chapter 2 (Field Audit Reports); Proposed Revisions to Audit Manual Chapter 3 (Audit Working Papers); Proposed Revisions to Audit Manual Chapter 13 (Statistical Sampling); Proposed Revisions to Audit Manual Chapter 4 (General Audit Procedures)

**WEDNESDAY, JANUARY 5, 2000 - BOARD MEETING\*\***

**Convenes at 9:30 a.m. - ROOM 121**

- Business Taxes Appeals Hearings

**Board Committee Convenes at 1:30 p.m.**

**\*Property Tax Committee – Dr. Connell, Chair - ROOM 121**

Mr. Richard Johnson, Staff - (916) 445-1517

Property Tax Rule 305, Application; Property Tax Rule 306, Copy of Application and Amendments to Assessor

**Convenes at 1:30 p.m. – Room 121 - BOARD MEETING\*\***

- Public Hearings  
Proposed Amendment of Property Tax Rule 133, Business Inventory Exemption - The proposed amendments define as business inventory eligible for the business inventory exemption oak barrels that are used in the process of manufacturing wine and brandy for the purpose of physically incorporating the flavor- and aroma-enhancing chemical compounds of the oak into the wine or brandy.

Proposed Adoption of and Amendments to Property Tax Rules 301-321, Local Equalization - The proposed actions specify the application of the legal requirements of jurisdiction and function and of notice and procedure to local appeals boards.

Proposed Amendments to Sales and Use Tax Regulation 1540, Advertising Agencies, Commercial Artists and Designers - The proposed amendments clarify the application of sales and use tax with regard to advertising agencies.

Proposed Amendments to Emergency Telephone Users Surcharge Regulations 2401, Definitions, and 2406, Liability for Surcharge; Liability for Surcharge Remitted by Billing Aggregator; Liability for Surcharge Billed Through Billing Agents - The proposed amendments clarify that the service supplier remains liable to collect and remit the surcharge, but authorized the service supplier to contract with a billing aggregator to act as its agent in collecting and remitting the surcharge to the state. The regulation authorizes the billing aggregator to file a single return as agent on behalf of multiple service supplier clients, pay the surcharge with a single check and provide information about the individual service suppliers. The service supplier would remain responsible to ensure the proper amount of surcharge is remitted on its behalf.

Proposed Amendments to Conflict of Interest Code Regulation 6001, General Provisions - The proposed amendments reflect classification changes that have taken place at the Board since the last amendment; extend the reportable period to include the time during which there is a pending Taxpayers' Bill of Rights claim; provide an appropriate reporting category for a new classification; and make minor changes for consistency.

- Business Taxes Appeals Hearings

#### **THURSDAY, JANUARY 6, 2000 - BOARD MEETING\*\***

##### **Convenes at 10:00 a.m. - ROOM 121**

- Special Presentations – Presentations of Superior Accomplishment Awards
- CLOSED SESSION: Potential Litigation: Heavenly Valley v. El Dorado County, Request for Amicus Brief; Pending Litigation: Beverly World Industries, Inc., et al. v. State of California, et al., Victoria Madrid and Leonardo Lopez v. State Board of Equalization (Govt. Code § 11126 (e)); Settlements (R & T Code § 7093.5 and 50156.11); Personnel Matters (Govt. Code § 11126 (a))
- Administrative Session: Executive Director's Report; Board Committee Reports; **CONSENT:** Retirement Resolutions; Adoption of Board Meeting Minutes; Timber Advisory Committee Appointments; Renaming Assessors' Handbook Section 577, General Aircraft Assessment Procedure; Approval of Superior Accomplishment Award Nominee
- Chief Counsel Matters: – Adoption of Changed Versions of Rule 302, The Board's Function and Jurisdiction
- Business Taxes Non-Appearance Matters: Action on Matters Previously Heard or Submitted for Decision Without Hearing; Petitions for Rehearing; Redeterminations; Relief of Penalty; Credits, Cancellations or Claims for Refunds

- Corporate Franchise and Personal Income Tax Non-Appearance Matters: Action on Matters Previously Heard or Submitted for Decision Without Hearing; Petitions for Rehearing
- Corporate Franchise and Personal Income Tax Appeals Hearings

Janice Masterton, Chief  
Board Proceedings Division

\*Public comment on any committee agenda item will be accepted at the beginning of the committee meeting.

\*\*Public comment on any agenda item, other than a Closed Session item or an item which has already been considered by a Board Committee, will be accepted at that meeting.

If substantial revisions to the published text of the regulations are approved at the hearing, the regulations will be re-published for a new hearing date. If only revisions sufficiently related to the published text of the regulations are approved, a notice containing these revisions will be mailed to those persons that commented orally or in writing or that asked to be informed of such revisions. The notice will be mailed at least 15 days prior to the scheduled Board adoption of the regulations to allow them time for additional comments.

Agenda items occur sequentially. When circumstances warrant, the Chairman may modify the order of items as they appear on the agenda. Any committee agenda item may be brought to the Board at its next meeting. The hearing location is accessible to the disabled. If you require special assistance, please contact Judy Newton at (916) 445-4394 to make special arrangements.

This Public Agenda Notice is available on the Internet. The Board's Website: <http://www.boe.ca.gov>

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